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DEPT FOR E, P, EB, EAP/J, EAP/P, EAP/PD, PA;
WHITE HOUSE/NSC/NEC; JUSTICE FOR STU CHEMTOB IN ANTI-TRUST DIVISION;
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DASD/ISA/EAPR/JAPAN; DEPT PASS ELECTRONICALLY TO USDA
FAS/ITP FOR SCHROETER; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR;
CINCPAC FLT/PA/ COMNAVFORJAPAN/PA.
E.O. 12958: N/A
TAGS: OIIP KMDR KPAO PGOV PINR ECON ELAB JA
SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS 08/26/08
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# Articles:

# 1) TOP HEADLINES

# Asahi:

Government eyes seamless execution of this fiscal year's supplementary budget and next year's budget

### Mainichi:

MAFF Minister Ota's political organization logs 23 million yen in 2005 and 2006 in office expenses for aide's home that requires no rent

#### Yomiuri:

1 in 350 citizens stands chances of getting listed as lay judge

#### Nikkei:

Putin indicates Russia may halt talks on joining World Trade Organization

#### Sankei:

Russia and Western countries scrambling for resources

## Tokyo Shimbun:

39 prefectures living off 'savings'

### Akahata:

Secret Japan-U.S. deal on waived jurisdiction by Japan over crimes by U.S. service members still valid, according to 2001 paper by U.S. military legal officers

#### 2) EDITORIALS

# Asahi:

- (1) U.S. presidential race and global anxiety
- (2) Communities do not want gangsters

### Mainichi:

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- (1) DPJ leadership race needs a vote for deepening policy
- (2) U.S.-Russia summit necessary for breaking gridlock in new Cold War era

### Yomiuri:

- (1) Will the U.S.-India nuclear agreement contribute to nonproliferation?
- (2) Expanding rice demand the key to sustaining industry

### Nikkei:

- (1) Revitalize local economies with information and communication technology
- (2) China-ROK partnership as momentum for Japan-China-ROK cooperation

# Sankei:

- (1) Gas fields in East China Sea: We are concerned about prime minister's stance toward  $\operatorname{China}$
- (2) Tochigi disaster: Police must speedily respond to calls for help

### Tokyo Shimbun:

- (1) Nuclear nonproliferation efforts must go on
- (2) Police must recover public trust for investigations

### Akahata:

- (1) Beijing Olympics demonstrates advanced sporting spirit
- 3) Prime Minister's Official Residence (Kantei)

Prime Minister's schedule, August 25

NIKKEI (Page 2) (Full) August 26, 2008

### 09:39

Met Administrative Reform Minister Motegi at the Kantei.

### 10:57

Met MLIT Road Bureau Director General Kanai.

### 11:03

Met former Australian Foreign Minister Evans and former Foreign Minister Kawaguchi, both of whom co-chair the international committee on nuclear non proliferation and disarmament.

12:33

Met Chief Cabinet Secretary Machimura.

13:54

Met Lower House member Akiko Yamanaka.

14:28

Met Science and Technology Minister Noda, Science and Technology Conference members Masuo Aizawa and Taizo Yakushiji, and others. Noda stayed behind.

15:14

Met Natsuko Kanayama, a trainee in the pilot project to train human resources in the peace-building area, and others, with Yamanaka present.

15:46

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Met State Minister for the Abduction Issue Nakayama.

16:25

Attended a party in commemoration of the 50th anniversary of the sale of the chicken ramen at the Teikoku Hotel.

17.13

Attended a meeting of the Council on Economic and Fiscal Policy at the Kantei.

18:01

Met Finance Minister Ibuki.

18:47

Met former Deputy Chief Cabinet Secretary Furukawa at his official residence.

21:39

Met LDP Secretary General Aso, New Komeito Secretary General Kitagawa, LDP Diet Affairs Committee Chairman Oshima, and New Komeito Diet Affairs Committee Chairman Urushibara, with Machimura present. Machimura stayed behind.

21:59

Met Furukawa.

4) Japan-U.S. secret pact on Japan's waiver of jurisdiction over crimes by U.S. service members still effective, according to paper by U.S. military legal advisors

AKAHATA (Top Play) (Full) August 26, 2008

It has been revealed that Japan and the U.S. concluded a secret treaty that specifies Japan's waiver of primary jurisdiction over crimes committed by U.S. soldiers off duty in cases deemed of "no special importance." A paper issued in 2001 by persons including a USFJ legal advisor notes that Japan continues to faithfully observe the pact.

It has become known through U.S. government declassified documents and other means that the two countries concluded the secret accord when the administrative agreement governing the legal status of U.S. troops in Japan was revised (in 1953). But it has been found for the first time that the agreement is still effective.

The paper, titled "An agreement on the status of foreign troops in Japan," was written jointly by Lieutenant Colonel Dale Sonnenberg, chief of international law at the office of the judge advocate at U.S. Forces Japan, and Donald A. Timm, special advisor to the Judge Advocate Headquarters. The paper is in The Handbook of the Law of Visiting Forces, published by Oxford University in Britain in 2001.

The paper specifies the existence of the secret pact, noting: "Japan has concluded an unofficial agreement under which it abandons its primary right to exercise jurisdiction, excluding cases of 'special

importance.'" The paper emphasizes that the pact is still effective, saying: "Japan has been faithful in upholding this agreement."

The paper also points out that the U.S. policy goal is to exercise its jurisdiction over crimes by U.S. service members overseas to the maximum extent. To that end, the paper says that various measures

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have been taken in Japan, such as (1) having Japan drop cases; (2) giving Japan no time for it to notify (the U.S.) of its intent to bring an accusation; and (3) having Japan abandon jurisdiction over cases under indictment.

The paper reveals that the U.S. military is trying to insulate U.S. service members who commit crimes from trials in Japan by every possible means.

It has also been learned that the Justice Ministry issued a notice that included the same provisions as those in the Japan-U.S. secret pact in 1953. Asked by Akahata about the validity of the notice at the present point of time, the Justice Ministry did not rule it out, just saying: "We have no comment."

5) Defense Ministry having hard time determining next-generation fighter; U.S. embargoes F-22A, Japan's top choice

NIKKEI (Page 2) (Excerpts) August 26, 2008

The Defense Ministry is now having a hard time determining the next-generation mainstay fighter (FX) for the Air Self-Defense Force. Although the ASDF craves for the state-of-the-art stealth fighter F-22A, its procurement seems difficult, as the U.S. Congress does not allow its exports for security reasons. Although the F-35, currently under development, and Europe's Eurofighter are likely to be rivals, they both lack decisive factors. The protraction of coordination is inevitable.

The FX is to replace some 90 F-4 fighters. The ministry plans to introduce about 50 FX fighter jets for two air squadrons. There are six candidate models: the United States' F-22A, F-35, F-15FX, and FA-18E/F, Europe's Eurofighter and France's Rafale.

Initially, the ministry planned to procure the first seven FX fighters during the Midterm Defense Buildup Program (FY2005 - FY2009), but its decision inevitably will be slipped to the next program starting in FY2010.

China now possesses about 350 fighters comparative to those of the ASDF in performance. The East Asian Strategic Overview 2008 by the National Institute for Defense Studies reads: "China's air defense capability is approaching that of Japan and it might significantly outstrip Japan before long."

The Russian military is also rapidly reframing itself under the good economic environment resulting from soaring prices of crude oil and other resources.

"In order to deal squarely with China and other countries with an eye to the next 20-30 years, the state-of-the-art F-22A is necessary at this point," a senior ASDF officer said.

At present, chances are slim that the United States will lift the ban on exports of the F-22A, and its high price tag -- estimated to cost 25 billion yen apiece -- is also a big challenge. Further, the United States is scheduled to cease its production in fiscal 2011.

The F-35 now under development for exports involves fewer problems than the F-22A. But its development is expected to take several more years, and to what extent the technologies used for the F-35 will be

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disclosed remains unclear.

A senior ASDF officer test-piloted the Eurofighter in a British air show in July. The Financial Times' website has also reported: "Under financial difficulty, the British Defense Ministry has informally asked Japan and other countries for purchasing Eurofighers (in place of Britain)." The Eurofighter's design concept is different from that of U.S.-developed fighters that have been adopted by the ASDF. Further, in view of the possible impact on the Japan-U.S. alliance, cautious views are deeply seated in the ministry, with a senior Air Staff Office officer saying: "I wonder if the ministry can make a decision to switch the models."

6) Defense Ministry to request funding for additional CH-47 helicopters

SANKEI (Page 4) (Excerpts) August 26, 2007

The Defense Ministry decided yesterday to procure four more CH-47 heavy-lift helicopters in fiscal 2009 for the Ground Self-Defense Force, which has been asked by the United States and other countries to operate in Afghanistan. The ministry will also incorporate in its fiscal 2009 budgetary request costs for their higher engine power and making them bulletproof so that they can be used overseas. Although the government does not intend to add ground-based support in Afghanistan to a bill extending the Antiterrorism Special Measures Law to be submitted to the upcoming extraordinary Diet session, the decision was apparently made by envisaging the future overseas deployment of the helicopters.

The cost of procuring four CH-47 helicopters totals 26.9 billon yen. The 58-seater CH-47 helicopters possessed by the GSDF are tasked mainly with airlifting supplies in the wake of a disaster. It has also been pointed out that their engines are insufficient to fly over highlands, such as Afghanistan, and they are not bulletproof against attacks by ground troops.

7) Defense Ministry to set up Guam relocation office

YOMIURI (Page 4) (Full) August 26, 2008

In connection with the realignment of U.S. forces in Japan, the Defense Ministry has decided to set up a "Guam Relocation Project Office" in order to facilitate the planned relocation of Okinawa-based U.S. Marines to Guam. The ministry will earmark costs for the office in its budgetary estimate for next fiscal year.

The relocation office will be staffed with about 30 persons. The Defense Ministry will station personnel from the office in Guam and will also assign several persons in Hawaii, where the U.S. Pacific Command is headquartered, to negotiate and liaise with the U.S. military.

In May 2006, the Japanese and U.S. governments reached a final agreement on the realignment of U.S. forces in Japan, featuring the Guam relocation. The United States will move 8,000 Marines from Okinawa to Guam.

8) Obama would place importance on U.S.-Japan alliance: Mondale

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SANKEI (Page 5) (Full) August 26, 2008

Takashi Arimoto, Denver

Former U.S. Vice President Walter Mondale (former ambassador to Japan) gave an interview to the Sankei Shimbun on Aug. 24. Referring to his assumption of the post of joint honorary chairman of a policy advisory team on Japan policy for presumptive Democratic presidential nominee Sen. Barack Obama, Mondale said that the purpose of his selection was to demonstrate at home and abroad that a U.S. administration led by Obama would continue attaching importance to Japan. In this context, a source familiar with Japan-U.S. relations revealed that a policy advisory team member

will visit Japan in early September in order to explain Obama's basic Japan policy.

Mondale said: "The advantage of U.S.-Japan relations is that the two countries have continued to deal with issues in a bipartisan manner, not in a partisan fashion. We will do our best to maintain bilateral relations." The team -- which is composed of academic Japan experts, think-tank fellows, and former government officials -- reportedly has worked on strengthening the alliance.

Mondale said that the current U.S.-Japan relation "are strained" over the North Korean issue. He specifically pointed out:

"How to resolve the horrible abduction issue and how to persuade North Korea, which seeks the right to have nuclear weapons, to give up on its nuclear programs are important issues."

He stressed the importance of cooperation between Japan and the United States: "We are basically united, even if there are disagreements between the two countries."

Regarding Obama's selection of Sen. Joe Biden as his vice presidential candidate, Mondale said: "It's great. He is well versed in foreign and security policy. He has visited Japan many times and he understands well the importance of the alliance."

9) Extra Diet session to last 70 days from Sept. 12

NIKKEI (Page 1) (Full) August 26, 2008

Prime Minister Yasuo Fukuda met last night with Liberal Democratic Party (LDP) Secretary General Taro Aso and the LDP's junior coalition partner New Komeito's Secretary General Kazuo Kitagawa, in which the three agreed to hold the upcoming extraordinary Diet session for 70 days from Sept. 12 through Nov. 20.

Fukuda instructed them to enact during the extra session a bill on a supplementary budget for a package of comprehensive economic stimulus measures, a bill extending the Maritime Self-Defense Force's refueling operations in the Indian Ocean, a bill establishing a Consumer Affairs Agency, and bills carried over from the ordinary session. He also told them to make efforts to hold consultations with the main opposition Democratic Party of Japan (DPJ) and other opposition parties. The government plans the prime minister's policy speech for Sept. 12 and each party's representative interpellations in both chambers of the Diet for Sept. 16-18.

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10) Lower House Speaker Kono in office for 1,700 days

SANKEI (Page 4) (Full) August 26, 2008

Speaker of the House of Representatives Yohei Kono today marks his 1,700th day in office. He is the second-longest serving Lower House speaker under the present Constitution. Unless the Lower House is dissolved at an early date during the upcoming extraordinary Diet session, he will be serving in his post for 1780 days on Nov. 14, becoming the longest serving speaker in the postwar period. He is expected to become the longest serving speaker on Nov. 20 among prewar and postwar Lower House speakers, topping Ikuzo Ooka's 1,785 days.

11) Japan, Australia to set up international nonproliferation committee in October

NIKKEI (Page 2) (Full) August 26, 2008

The government announced yesterday that Japan and Australia, aiming to strengthen the Nuclear Non-Proliferation Treaty (NPT) regime, would create an "international committee on nuclear nonproliferation and disarmament" and that the committee would hold its first meeting

in October. The committee will be made up of about 15 members from the world, including nuclear powers, and will come up with specific proposals for an NPT meeting to be held in 2010.

12) Former Foreign Minister Kawaguchi expresses concern about U.S.-India nuclear pact

YOMIURI (Page 2) (Full) August 26, 2008

Former Foreign Minister Kawaguchi and former Australian Foreign Minister Evans gave a joint press conference at the Foreign Ministry yesterday. They expressed concern about recent moves to allow India, which has not signed the Nuclear Non-Proliferation Treaty (NPT) and possesses nuclear weapons, to import nuclear fuel and nuclear reactors, saying that such moves might undermine the foundation of the NPT regime. Kawaguchi and Evans co-chair an international committee on nuclear nonproliferation and disarmament (tentative name), a conference set up under the initiative of Japan and Australia.

ZUMWALT